

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION OF SOUTH CENTRAL BELL)	
TELEPHONE COMPANY FOR CONFIDENTIAL)	
TREATMENT OF INFORMATION FILED IN)	CASE NO.
SUPPORT OF ITS CONTRACT SERVICE)	92-470
ARRANGEMENT FOR THE KENTUCKY)	
LOTTERY CORPORATION)	

O R D E R

This matter arising upon petition of BellSouth Telecommunications, Inc. d/b/a South Central Bell Telephone Company ("South Central Bell") filed November 4, 1992 pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost support data developed in connection with its Contract Service Arrangements for the Kentucky Lottery Corporation on the grounds that disclosure of the information is likely to cause South Central Bell competitive injury, and it appearing to this Commission as follows:

South Central Bell has contracted with the Kentucky Lottery Corporation to provide analog private line service within each LATA. In support of its request for approval of the contract, South Central Bell has filed cost support data which it seeks to protect as confidential.

The information sought to be protected is not known outside of South Central Bell and is not disseminated within South Central Bell except to those employees who have a legitimate business need to know and act upon the information. South Central Bell seeks to preserve and protect the confidentiality of the information through

all appropriate means, including the maintenance of appropriate security at its offices.

KRS 61.872(1) requires information filed with the Commission to be available for public inspection unless specifically exempted by statute. Exemptions from this requirement are provided in KRS 61.878(1). That section of the statute exempts 11 categories of information. One category exempted in subparagraph (c) of that section is commercial information confidentially disclosed to the Commission. To qualify for that exemption, it must be established that disclosure of the information is likely to cause substantial competitive harm to the party from whom the information was obtained. To satisfy this test, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

South Central Bell's competitors for private line services are interexchange carriers, providers of private microwave systems, fiber networks, VSAT, and vendors and manufacturers of digital radio technology. Digital radio technology is being used today in other Lottery networks. The information sought to be protected could be used by such competitors to determine South Central Bell's costs and contribution from the service. This information would enable South Central Bell's competitors to better market their competitive services to the detriment of South Central Bell. Therefore, disclosure of the information is likely to cause South

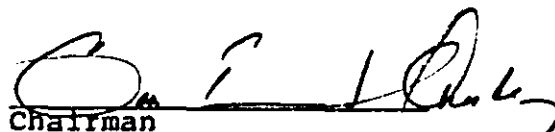
Central Bell competitive injury and the information should be protected as confidential.

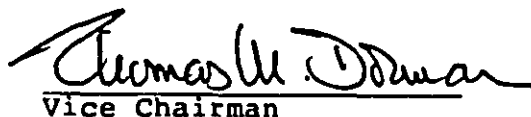
This Commission being otherwise sufficiently advised,

IT IS ORDERED that the cost support data developed by South Central Bell in connection with its proposed agreement with the Kentucky Lottery Corporation, which South Central Bell has petitioned be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 14th day of December, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director